

## Patients' passports pop up again

Similarities between the Tory and Labour plans for the NHS mask the Tories' big idea—a subsidy for patients who choose to go private. **Nicholas Timmins** reports

The conventional wisdom in much of the media is that there is not much difference between Labour and the Conservatives when it comes to the NHS. Both are fighting over whether the extra NHS spending since 1997, a doubling in cash terms by this year and a near doubling in real terms by 2007-8, after discounting for inflation, has been wasted. They battle jointly over access, choice, waiting lists, and bureaucracy in remarkably similar language and, in some areas, remarkably similar policies.

But that is to miss two absolute firsts. For the first time since the foundation of the NHS in 1948, the Conservatives are going into a general election with spending promises that, at least at the time of writing, stretch further into the future than Labour's. The second, against this apparent total commitment to the NHS, is an opposite—a promise to break with more than 50 years of history and to offer patients and the private sector a direct subsidy if patients choose to leave the NHS and go private.

The first is a measure of how far Labour has won the battle over the need to increase NHS expenditure. There may be doubts over whether the extra spending has produced enough improvement. But the Conservative plans to match Labour's spending up to 2007-8 and then provide a somewhat lower level of real term growth for a further two years looks like a clear acknowledgment that the Conservatives too believe that the electorate is prepared to give the NHS more time. The growth they are promising, around 4% a year in real terms, is about the level that Whitehall suspects Labour will settle on for the two remaining years of the next parliament (assuming it lasts four years). The failure of that to produce a transforming improvement in the NHS may well reopen the debate about how the

health service is funded. But that moment has yet to arrive.

The second, however, reflects deep tensions within the Conservative camp between those who accept the argument that the NHS deserves more time and those who believe that the tax funded, free at the point of use model has had its day. In a revealing interview with the *Health Service Journal* (7 April, p 18), Andrew Lansley, the Conservative health spokesman, said, "I have a whole flank of people that I am guarding against who want to move to copayments systems, social insurance systems, and so on, on the basis that the NHS can't work. I don't believe that."

it to follow elsewhere—for prescription drugs, chronic care, outpatient appointments, and the like. It is hard to see how, over time, that would not lead to a more pronounced version of two tier care than exists at present: swifter access and more choice for those who can afford to pay, less for those who cannot.

The Conservatives argue it would not because, a little like Labour, they would let any private hospital that could treat patients at NHS tariff do so. Competition, the argument goes, will drive waiting times down for all. But where is the incentive for the private sector to lower its costs to NHS tariffs if it and its patients will be subsidised for not doing so?

In the campaign to date, Labour has made more of this, the Conservatives' most radical proposal, than the Tories have themselves. Labour believes the policy offends the British sense of fair play and the founding principle of equal access to care regardless of ability to pay. Beyond that, there is much in common between the two major

There are claims for big administrative savings—more than £660m—by scrapping strategic health authorities. These should probably be treated with exactly the same scepticism as Labour's 1997 claim that they would lop £100m off administrative costs. Even a forensic accountant would have trouble showing whether that ever happened. Although the Conservatives claim they can save on administrative costs, GPs will need more staff to make the big switch to GP commissioning that Labour is encouraging but the Conservatives want to take further. And already Mr Lansley is saying that, as strategic health authorities disappear, the role of Monitor, the independent foundation trust regulator, will grow.

Much of this, unsurprisingly, is going straight over the electorate's head. Not least because the Conservatives' campaign on health has focused almost entirely on cleaner hospitals, presenting that, and the return, yet again, of matron, as the simple answer to methicillin resistant *Staphylococcus aureus* (MRSA).

On public health, the Conservatives are less prescriptive on smoking than either Labour or the Liberal Democrats, claiming that a voluntary code will remove smoking from around 80% of pub space. A sexual health strategy aimed at young people is promised, along with a big expansion in drug rehabilitation places, and the party that once presided over mass sales of school playing fields now says it will support them.

And on long term care, the Conservatives land between Labour and the Liberal Democrats, offering a policy carefully calibrated to appeal to the better off end of middle England. After three years in a care home, care would be free for life. Average life expectancy is in fact below that. But the move could expand the market for long term care insurance as people who live longer would not have to be covered. As with the patient's passport, the policy should produce cheaper insurance products. □

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Tory spokesman Andrew Lansley: "I have a whole flank of people that I am guarding against who want to move to copayments systems, social insurance systems...on the basis that the NHS can't work."

The compromise offer is what was once called "the patient's passport." People on waiting lists will be given half the NHS tariff for their operation if they go private. Labour has, quite wrongly, presented this as a charge for NHS treatment. It is not. No one would be forced to go private. But if all those who currently do so were to take the money (and why wouldn't they?) it would currently cost more than £1bn (\$1.9bn; €1.5bn) before there was any net gain in extra patients using the private sector rather than the NHS. And once the principle was conceded for non-emergency operations, there would be enormous pressure for

parties. Both offer the NHS an unquiet life through more patient choice and competition.

The Conservatives say that they would go further and faster on foundation hospitals and choice. They would abolish strategic health authorities, slim down primary care trusts, and scrap all centrally set targets, although they will keep payment by results, the National Institute for Clinical Excellence, and the standard setting and inspection functions of the Healthcare Commission. Like Labour, they will explore the possibility of direct payments to patients with chronic conditions, again potentially promoting choice and competition.

This is the second of three articles on the health policies of Britain's three main political parties, the Liberal Democrats, the Conservatives, and the Labour Party.